



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera
Director

Notice of Granting License Notice of Appealable Agency Action

CERTIFIED MAIL

September 1, 2017

Excelsior Mining Arizona, Inc.
Attn: Roland Goodgame, Executive VP
2999 N. 44th Street, Suite 300
Phoenix, Arizona 85018

Re: Decision to Grant an Aquifer Protection Permit (APP)
Gunnison Copper Project
Inventory Number: 511633 LTF ID: 61397

Dear Mr. Goodgame:

The Arizona Department of Environmental Quality's review of this application was subject to the requirements of the licensing time frames ("LTF") statute under Arizona Revised Statutes ("A.R.S.") § 41-1072 through § 41-1079 and the LTF rules under Arizona Administrative Code ("A.A.C.") R18-1-501 through R18-1-525. This Notice is being issued within the overall time frame for your application.

ADEQ hereby grants your application for an APP under A.R.S. 49-241. The permit and fact sheet describing the conditions of your approval are attached. However, before issuing the signed permit ADEQ must receive final payment for all outstanding permit fees for application review, pursuant to A.A.C. R18-14-105(B). ADEQ's Office of Fiscal Services is sending you a final itemized invoice under separate cover, which should arrive within fifteen business days. The Department will not issue your APP signed by the Director of the Water Quality Division until this invoice is paid in full.

Upon receipt of your payment in full, the Director will sign your permit and it will become effective on that date. Your signed permit will be mailed immediately after that.

This decision is an appealable agency action under A.R.S. § 41-1092. You have a right to request a hearing and file an appeal under A.R.S. § 41-1092.03(B). You must file a written Request for

Hearing or Notice of Appeal within **30 days** of your receipt of this Notice. A Request for Hearing or Notice of Appeal is filed when it is received by ADEQ's Hearing Administrator as follows:

Anakaren Lemus
Hearing Administrator
Office of Administrative Counsel
Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, AZ 85007

The Request for Hearing or Notice of Appeal shall identify the party, the party's address, the agency and the action being appealed and shall contain a concise statement of the reasons for the appeal. Upon proper filing of a Request for Hearing or Notice of Appeal, ADEQ will serve a Notice of Hearing on all parties to the appeal. If you file a timely Request for Hearing or Notice of Appeal you have a right to request an informal settlement conference with ADEQ under A.R.S. § 41-1092.06. This request must be made in writing no later than **20 days** before a scheduled hearing and must be filed with the Hearing Administrator at the above address.

Thank you for your efforts to comply with Arizona's environmental requirements. Should you have any comments or questions regarding this matter, please do not hesitate to contact me at vc2@azdeq.gov or at (602) 771-4362.

Sincerely,



Vimal Chauhan
APP Unit, Groundwater Section, Water Quality Division

Enclosure: Permit
Fact Sheet
Responsiveness Summary
Field Inspection Checklist

cc: Luke Peterson, Manager - APP Unit, ADEQ
Stephen Twyerould, Ph.D., President & CEO - Excelsior Mining Corporation
Rebecca Sawyer, VP Sustainability - Excelsior Mining Corporation
R. Douglas Bartlett, R.G. - Clear Creek Associates
Alison H. Jones, R.G. - Clear Creek Associates
Nancy Rumrill, U.S. EPA